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IN THE UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF CALIFORNIA

RAHINAH IBRAHIM,

No. C 06-00545 WHA

Plaintiff,

v.

DEPARTMENT OF HOMELAND
SECURITY, et al.,

Defendants.

**ORDER GRANTING IN PART
AND DENYING IN PART
PLAINTIFF'S MOTION FOR
ATTORNEY'S FEES AND
EXPENSES**

INTRODUCTION

All of us who practice or serve in this district should be proud that we still have counsel willing and able to undertake pro bono representation of someone like our plaintiff here, especially when it requires standing up to our national government and its large litigation resources. Not so long ago, this spirit flourished within our district. More recently, however, pro bono representation seems to have taken second seat to money bono. But these lawyers from plaintiff — Marwa Elzankaly, Kevin Hammon, Ruby Kazi, James McManis, Jennifer Murakami, Christine Peek, Elizabeth Pipkin, and the firm of McManis Faulkner — deserve recognition for the work they have contributed to this long-fought case. The Court hereby extends its compliments.

1 This, however, does not translate to approving the massive award they seek under the
2 Equal Access to Justice Act. The EAJA is restricted in important ways that we must recognize
3 and honor. And, plaintiff's counsel may not collect twice for work already compensated in prior
4 partial settlements, for inefficient or duplicative work, or for work on issues for which the
5 government has shown its position to be substantially justified and unrelated to the claim Dr.
6 Ibrahim obtained relief under.

7 Regrettably, this will be a long order, given the broad scope of the fee petition, and must
8 lead to the very type of satellite litigation our Supreme Court cautioned against. *Hensley v.*
9 *Eckerhart*, 461 U.S. 424, 437 (1983). The essence of this order is that counsel are entitled to
10 recover for their work and expenses on procedural due process, substantive due process,
11 Administrative Procedure Act claims and post-2012 remand standing issues, and no more.
12 This cut back is not intended as a criticism of counsel and their work herein but simply reflects
13 the limits of the law itself. This order resolves the *entitlement* issue. A companion order sets
14 forth a special-master procedure to determine the *amount*.

STATEMENT

16 This action arises out of a wrongful listing of plaintiff on the no-fly list. The facts are all
17 laid out in findings of fact and conclusions of law after a bench trial (Dkt. Nos. 682, 701-1).

18 In January 2006, plaintiff commenced this civil action against multiple state and federal
19 agencies alleging Section 1983 claims, state law tort claims, and several constitutional claims.
20 An August 2006 order dismissed her claims against the federal defendants based on lack of
21 subject-matter jurisdiction and dismissed her claims against a TSA employee, the airline, and the
22 federal agency defendants (Dkt. No. 101). Our court of appeals affirmed in part, reversed in
23 part, and remanded, holding that the district court had original subject-matter jurisdiction over
24 her claim for injunctive relief regarding placement of her name on the no-fly list. The court of
25 appeals agreed that the district court, however, lacked subject-matter jurisdiction over her claim
26 for injunctive relief regarding the government's policies and procedures implementing the no-fly
27 list, that the federal agency and airline actions were not state actions under Section 1983, and
28 that the tort claims against the federal officials in their official capacities and airline defendants

1 were precluded. Our court of appeals further held that specific jurisdiction was available for the
2 claims against the TSA employee, who was sued in his individual capacity. *Ibrahim v. Dep't of*
3 *Homeland Sec.*, 538 F.3d 1250, 1254–56 n.9 (9th Cir. 2008) (“*Ibrahim I*”).

4 On remand, plaintiff filed the operative second amended complaint. Cash settlements
5 were subsequently entered with the non-federal defendants (Dkt. No. 328). Plaintiff’s counsel
6 were paid \$195,431.35 for attorney’s fees and costs pursuant to the settlement (McManis
7 Decl. ¶ 3).

8 A motion to dismiss for lack of standing was then made and granted based on the
9 distinction between damages claims for past injury while plaintiff had been in the United States
10 versus prospective relief sought *after* plaintiff had voluntarily left the United States (Dkt. No.
11 197). Our court of appeals, while affirming in part, reversed (over a dissent) as to standing for
12 prospective relief by holding that even a nonimmigrant alien who had voluntarily left the United
13 States nonetheless had standing to litigate federal constitutional claims in district court in the
14 United States as long as the alien had a “substantial voluntary connection” to the United States.
15 *Ibrahim v. Dep't of Homeland Sec.*, 669 F.3d 983, 993–94 (9th Cir. 2012) (“*Ibrahim II*”).
16 The decision was entered on February 8, 2012. The government did not seek review by the
17 United States Supreme Court.

18 A July 2012 mandate taxed \$437.60 in costs against defendants pursuant to the appeal
19 (Dkt. Nos. 355, 356). On remand, the government then again moved to dismiss and the motion
20 was denied. The parties next became embroiled in discovery disputes involving the state secrets
21 privilege, the law enforcement privilege, and so-called “sensitive security information” (“SSI”),
22 49 U.S.C. 114(r) and 49 C.F.R. 1520.5. A pair of orders dated April 19, 2013, granted in part
23 and denied in part plaintiff’s motion to compel (Dkt. Nos. 462, 464). Subsequent rounds of
24 contentious discovery motions required further resolution. The government’s assertions of the
25 state secrets privilege were upheld, while its assertions of other privileges were upheld in part
26 and overruled in part (Dkt. Nos. 539, 548).

27 A number of expert disclosure and discovery disputes were then raised. Notably,
28 plaintiff’s expert report failed to identify what materials were considered in forming the opinions

1 therein and plaintiff refused to produce interview notes. A pair of orders permitted plaintiff to
2 revise her expert report, allowed the government to take a second one-day deposition of the
3 expert, and ordered the expert to produce interview notes he considered in forming his opinions
4 at least 24 hours prior to his second deposition, once a proper subpoena was served (Dkt. Nos.
5 580, 585).

6 After oral argument in October 2013, the government's motion for summary judgment
7 was granted in limited part but mostly denied (Dkt. No. 592). The "exchange of information"
8 claim based on the First Amendment was dismissed. Plaintiff's claims based on procedural and
9 substantive due process, equal protection, and First Amendment rights of expressive association
10 and retaliation proceeded to trial. Lack of standing was raised again by the government and
11 denied.

12 A final pre-trial conference was held in November 2013. A number of motions *in limine*
13 were heard and resolved, including the government's motion to exclude plaintiff from calling the
14 Attorney General (Eric Holder) and the Director of National Intelligence (James Clapper).

15 The bench trial began in December 2013. On the first day of trial, before opening
16 statements, plaintiff's counsel reported that plaintiff's daughter — a United States citizen and a
17 witness disclosed on plaintiff's witness list — was not permitted to board her flight from Kuala
18 Lumpur to attend trial. Immediately after trial, an evidentiary hearing regarding plaintiff's
19 daughter's travel difficulties was held. Upon request, limited findings of fact were made.

20 On January 14, 2014, findings of fact, conclusions of law, and order for relief was
21 entered (Dkt. Nos. 682, 701-1). Judgment was entered in favor of plaintiff to the extent stated in
22 the January 14 order, but against plaintiff on all other claims (Dkt. No. 684). Notably, the order
23 found that Dr. Rahinah Ibrahim was entitled to certain post-deprivation remedies and because the
24 government's administrative remedies fell short of that relief, she was deprived due process of
25 law. In addition, limited relief was granted to provide Dr. Ibrahim the specific subsection of
26 Section 212(a)(3)(B) of the Immigration and Nationality Act, 8 U.S.C. 1182(a)(3)(B), that
27 rendered her ineligible for a visa in 2009 and 2013, and to inform her she was eligible to at least
28 apply for a discretionary waiver. This limited relief was *not* specifically raised by plaintiff, but

1 instead provided by the Court based on a decision by our court of appeals and statutory
2 interpretation. *Din v. Kerry*, 718 F.3d 856, 863 (9th Cir. 2013). The government was required to
3 provide the relief ordered by April 15, 2014.

4 The order also stated (Dkt. No. 682 at 35):

5 OTHER CHALLENGES

6 Although plaintiff's counsel raise other constitutional challenges,
7 those arguments, even if successful, would not lead to any greater
8 relief than already ordered. It must be emphasized that the original
9 cause of the adverse action was human error. That error was not
10 motivated by race, religion, or ethnicity. While it is plausible that
11 Dr. Ibrahim was interviewed in the first place on account of her
roots and religion, this order does not so find, for it is unnecessary
to reach the point, given that the only concrete adverse action to
Dr. Ibrahim came as a result of a mistake by Agent Kelley in
filling out a form and from later, classified information that
separately led to the unreviewable visa denials.

12 The order thus did not reach plaintiff's equal protection clause, Administrative Procedure Act,
13 substantive due process, and First Amendment claims. To be clear, she did not outright lose on
14 these claims, she just did not prevail.

15 On January 28, plaintiff's counsel filed a motion for an award of attorney's fees and
16 expenses, seeking a whopping \$3.67 million in fees and \$294,000 in expenses (Dkt. No. 694).
17 Four supporting declarations were filed. Specifically, the declaration of Attorney Christine Peek
18 appended, *inter alia*, a 172-page spreadsheet (listing chronologically tasks completed and fees
19 sought) and a one-page "summary of additional expenses" (Peek Decl. Exhs. A, B). Invoices
20 and a spreadsheet specifically itemizing the expenses sought were not submitted.
21 The declaration of Attorney James McManis set forth attorney hourly rates and the experience of
22 each attorney. The declaration of Attorney Allen J. Ruby of Skadden, Arps, Slate, Meagher &
23 Flom LLP, attested to the reputation, rates, and experience of plaintiff's counsel. The
24 declaration of Dr. Rahinah Ibrahim stated that she retained McManis Faulkner in June 2005 and
25 they were the only firm willing to take her case on a pro bono basis (Ibrahim Decl. ¶¶ 2, 3).
26 *None of the declarations contained a statement that counsel met and conferred pursuant to Local*
27 *Rule 54-5 before filing the motion.* The same day, plaintiff's counsel filed a bill of costs seeking
28 approximately \$58,000 (Dkt. No. 693). They then submitted supplements to their bill more than

1 a week later (Dkt. Nos. 704–707). On February 21, the Clerk taxed \$53,699.13 against
2 defendants (Dkt. No. 713).

3 After the government filed its opposition, including a statement that plaintiff’s counsel
4 should — at most — be entitled to approximately \$286,000 in fees (not \$3.67 million),
5 plaintiff’s counsel submitted a reply declaration, appending 228-pages of exhibits supporting
6 their requested expenses (Dkt. No. 712). Upon request, a February 26 order struck counsel’s
7 reply declaration due to the unfairness of counsel submitting voluminous spreadsheets they could
8 have and should have submitted with their opening motion (Dkt. No. 715).

9 On February 28, the government filed a motion for review of the Clerk’s taxation of
10 costs. That motion will be addressed in a separate order. This order covers fees and *expenses*
11 other than the Clerk’s taxation of costs.

12 On March 6, the Court noted a number of line items of questionable merit in counsel’s
13 application and allowed supplemental briefing (Dkt. No. 718). On March 13, counsel submitted
14 a spreadsheet showing \$462,470 in “unclaimed fees,” meaning fees excluded from their fee
15 application. Counsel also indicated that 385 hours were excluded because several attorneys had
16 minor roles in the case (Pipkin Decl. ¶¶ 2–4, Exh. A). This order follows full briefing and oral
17 argument held on March 25, and review, as requested, of the declarations filed pursuant to the
18 injunction as of April 15 (Dkt. No. 737).

19 ANALYSIS

20 1. VIOLATION OF OUR DISTRICT’S RULES.

21 In connection with the motion, plaintiff’s counsel violated our district’s rules. Plaintiff’s
22 counsel failed to meet-and-confer with the opponent prior to filing this motion
23 (Freeborne Decl. ¶ 2, Reply 15). This was a violation of our district’s Local Rule 54-5(a) and
24 (b)(1) which state:

25 Counsel for the respective parties must meet and confer for the
26 purpose of resolving all disputed issues relating to attorney’s fees
before making a motion for award of attorney’s fees.

27 * * *

1 Unless otherwise ordered, the motion for attorney fees must be
2 supported by declarations or affidavits containing the following
3 information:

4 (1) A statement that counsel have met and conferred for the
5 purpose of attempting to resolve any disputes with respect to the
6 motion or a statement that no conference was held, with
7 certification that the applying attorney made a good faith effort to
8 arrange such a conference, setting forth the reason the conference
9 was not held; and

10 In counsel's reply brief, counsel offered no acceptable reason for their failure to comply with the
11 local rules before filing the motion. The reply stated:

12 Although plaintiff did not confer with defendants directly before
13 filing her motion, plaintiff understood defendants' position on fees
14 due to conversations with Judge Corley before the trial, and it was
15 clear that a motion was necessary to resolve the dispute.
16 Defendants' opposition demonstrates the futility of [a] meet and
17 confer to resolve the instant motion; defendants have suffered no
18 prejudice.

19 (Reply 15). This was another violation. It was wrong for counsel to refer to "anything that
20 happened or was said" or "any position taken" during a confidential settlement conference.
21 See ADR Local Rule 7-5(a). In any event, so much has occurred since that settlement
22 conference that it was wrong to think the government, having lost part of the trial, would still
23 have the same view.*

24 Failing to comply with the local rules is a permissible ground for the denial of a motion
25 for attorney's fees. *Johannson v. Wachovia Mortgage, FSB*, No. C 11-02822 WHA, 2012 WL
26 2793204, at *1 (N.D. Cal. July 9, 2012) (Judge William Alsup); *Herson v. City of Richmond*,
27 No. C 09-02516 PJH LB, 2012 WL 1189613, at *5 (N.D. Cal. Mar. 9, 2012) (Magistrate Judge
28 Laurel Beeler), report and recommendation adopted, 2012 WL 1188898, at *1 (N.D. Cal. Apr. 6,
2012) (Judge Phyllis J. Hamilton).

29 It is a close call whether or not to deny counsel an award for this failure to follow our
30 rules. Our rule requirement is meant to head off the very "satellite litigation" problem that

31 * At oral argument, counsel's only explanation was that these particular defense attorneys did not
32 have the authority to agree to a number. Defense counsel explained that pursuant to regulation, an amount
33 of fees this high must be authorized by the Deputy Attorney General (March 25 Hr'g. Tr. 39:7-15).
34 Plaintiff's counsel cannot unilaterally ignore our local rules requiring a meet-and-confer just because
35 specific defense attorneys lack the authority to authorize payment beyond a threshold sum.

1 worried the United States Supreme Court in *Hensley*, 461 U.S. at 437. The problem is
 2 exacerbated by a fee petition that is grossly overbroad, even to the point of seeking double
 3 recovery for items previously settled and on which fees were already recovered. A judge would
 4 be justified in denying the petition on these grounds.

5 Taking into account the purpose of the Equal Access to Justice Act, however, this order
 6 will allow the application to go forward provided that plaintiff's counsel shall pay 75% of the
 7 special-master's fees (rather than 50%) in connection with the fees-and-expenses procedure set
 8 forth in a companion order. The government shall pay the remainder. This allocation is the
 9 starting point and may be adjusted to reflect factors set forth in FRCP 53(g)(3).

10 **2. EQUAL ACCESS TO JUSTICE ACT.**

11 Plaintiff's counsel argue that they are entitled to recover attorney's fees and expenses
 12 because (1) the federal defendants' position was not substantially justified and (2) the federal
 13 defendants' acted in bad faith. Section 2412 of the Equal Access to Justice Act, 28 U.S.C. 2412,
 14 states in relevant part (emphasis added):

15 (a)(1) Except as otherwise specifically provided by statute, *a judgment for costs*, as enumerated in section 1920 of this title, but
 16 not including the fees and expenses of attorneys, *may be awarded to the prevailing party in any civil action brought by or against the United States or any agency or any official of the United States acting in his or her official capacity in any court having jurisdiction of such action*. A judgment for costs when taxed against the United
 17 States shall, in an amount established by statute, court rule, or
 18 order, be limited to reimbursing in whole or in part the prevailing
 19 party for the costs incurred by such party in the litigation.

20 * * *

21 (b) Unless expressly prohibited by statute, *a court may award reasonable fees and expenses of attorneys*, in addition to the costs
 22 which may be awarded pursuant to subsection (a), *to the prevailing party in any civil action brought by or against the United States or any agency or any official of the United States acting in his or her official capacity in any court having jurisdiction of such action*.
 23 *The United States shall be liable for such fees and expenses to the same extent that any other party would be liable under the common law or under the terms of any statute which specifically provides for such an award*.

24 * * *

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1 (d)(1)(A) Except as otherwise specifically provided by statute, a
 2 court shall award to a prevailing party other than the United States
 3 fees and other expenses, in addition to any costs awarded pursuant
 4 to subsection (a), incurred by that party in any civil action (other
 5 than cases sounding in tort), including proceedings for judicial
 review of agency action, brought by or against the United States in
 any court having jurisdiction of that action, *unless the court finds
 that the position of the United States was substantially justified or
 that special circumstances make an award unjust.*

6 This order will first address the arguments under Section 2412(d)(1)(A) for substantial
 7 justification and then address the arguments under Section 2412(a)(1) for common law bad faith.
 8 This order will then address counsel's enhancement request, discovery sanctions argument, and
 9 expenses sought.

10 Section 2412(d) sets forth a number of definitions. Party includes, *inter alia*, "an
 11 individual whose net worth did not exceed \$2,000,000 at the time the civil action was filed."

12 28 U.S.C. 2412(d)(2)(B). Dr. Rahinah Ibrahim qualifies (Ibrahim Decl. ¶ 5). This order notes
 13 that the government has *not* contested her standing to move for attorney's fees and has *not* argued
 14 that she does not qualify as a "party." Our court of appeals previously found that Dr. Ibrahim had
 15 established a "substantial voluntary connection" with the United States to assert claims under the
 16 First and Fifth Amendments and the Clerk taxed her appeal costs in 2012. *Ibrahim v. Dep't of*

17 *Homeland Sec.*, 669 F.3d 983, 997 (9th Cir. 2012); *Ibrahim v. Dep't of Homeland Sec.*,

18 No. 3:06-cv-00545-WHA (9th Cir. 2012) (Dkt. No. 356). Moreover, asylum applicants have been
 19 found to be entitled to fees. *Nadarajah v. Holder*, 569 F.3d 906, 909, 923, 926 (9th Cir. 2009).

20 "Fees and other expenses" includes:

21 reasonable attorney fees . . . except that . . . attorney fees shall not
 22 be awarded in excess of \$125 per hour unless the court determines
 23 that an increase in the cost of living or a special factor, such as the
 limited availability of qualified attorneys for the proceedings
 involved, justifies a higher fee.

24 28 U.S.C. 2412(d)(2)(A), meaning attorney's fees shall not exceed \$125 per hour, unless a
 25 cost-of-living or special-factor increase is justified.

26 "Position of the United States" means:

27 *in addition to the position taken by the United States in the civil
 28 action, the action or failure to act by the agency upon which the
 civil action is based;* except that fees and expenses may not be
 awarded to a party for any portion of the litigation in which the

party has unreasonably protracted the proceedings.

2 28 U.S.C. 2412(d)(2)(D) (emphasis added), meaning the position of the United States extends, to
3 the extent reviewable, to Agent Kelley’s error, the denials of Dr. Ibrahim’s visa applications in
4 2009 and 2013, and the government’s Traveler Redress Inquiry Program (“TRIP”) response.

In sum, the Supreme Court has stated:

Thus, eligibility for a fee award in any civil action requires: (1) that the claimant be a “prevailing party”; (2) that the Government’s position was not “substantially justified”; (3) that no “special circumstances make an award unjust”; and, (4) pursuant to 28 U.S.C. § 2412(d)(1)(B), that any fee application be submitted to the court within 30 days of final judgment in the action and be supported by an itemized statement.

10 *Comm'r, I.N.S. v. Jean*, 496 U.S. 154, 158, 162 (1990). “The government bears the burden of
11 demonstrating substantial justification.” *Thangaraja v. Gonzales*, 428 F.3d 870, 874 (9th Cir.
12 2005).

A. “Prevailing Party” and Timeliness.

14 Our court of appeals has held that “a ‘prevailing party’ under the EAJA must be one who
15 has gained by judgment or consent decree a ‘material alteration of the legal relationship of the
16 parties.’” *Perez-Arellano v. Smith*, 279 F.3d 791, 794 (9th Cir. 2002) (citing *Buckhannon Bd. &*

17 *Care Home, Inc. v. W. Virginia Dep’t of Health & Human Res.*

18 Based on the findings of fact, conclusions of law, and order for relief, and judgment entered on
19 January 14, 2014, following a bench trial, this order finds that plaintiff qualifies as a prevailing
20 party under the Equal Access to Justice Act. *Li v. Keisler*, 505 F.3d 913, 917 (9th Cir. 2007).
21 She obtained some relief pursuant to the January 2014 order and the government’s declarations
22 submitted in April 2014 (Dkt. No. 737).

23 Plaintiff's counsel filed their fee application on January 28, within thirty days of the final
24 judgment. The EAJA extends the time to file a fee application from fourteen days to thirty days.
25 29 U.S.C. 2412(d)(1)(A), FRCP 54(d)(2)(B). Counsel's application included a spreadsheet listing
26 chronologically the tasks upon which fees were sought. Their spreadsheet, however, did not
27 group tasks by project and identify the claim(s) or issue(s) for which the tasks pertained.

1 This makes it difficult to examine some of the fees sought in relation to the degree of success
 2 obtained. *Hensley*, 461 U.S. at 439.

3 **B. “Substantially Justified” and “Special Circumstances.”**

4 The next inquiry is whether the government has satisfied its burden of showing that its
 5 position was substantially justified. On the one hand, “the EAJA-like other fee-shifting statutes
 6 favors treating a case as an inclusive whole, rather than as atomized line-items.” *Comm'r*, 496
 7 U.S. at 161. On the other hand, our court of appeals has stated:

8 Substantial justification under the [Equal Access to Justice Act]
 9 means that the government’s position must have a reasonable basis
 in law and fact. The government’s position must be substantially
 justified at each stage of the proceedings.

10 *Shafer v. Astrue*, 518 F.3d 1067, 1071 (9th Cir. 2008). The government must show that its
 11 position was substantially justified at each stage of the proceedings in order to avoid an award of
 12 EAJA fees. *Li*, 505 F.3d at 918.

13 The Supreme Court has stated that substantial justification “is not ‘justified to a high
 14 degree,’ but rather ‘*justified in substance or in the main*’ — *that is, justified to a degree that could*
 15 *satisfy a reasonable person.*” *Pierce v. Underwood*, 487 U.S. 552, 565 (1988) (emphasis added).
 16 “Put another way, substantially justified means there is a dispute over which ‘reasonable minds
 17 could differ.’” *Gonzales v. Free Speech Coal.*, 408 F.3d 613, 618 (9th Cir. 2005).
 18 That the government lost (on some issues) does not raise a presumption that its position was not
 19 substantially justified. *Edwards v. McMahon*, 834 F.2d 796, 802–03 (9th Cir. 1987).
 20 Fees may be denied when the litigation involves questions of first impression, but “whether an
 21 issue is one of first impression is but one factor to be considered.” *United States v. Marolf*, 277
 22 F.3d 1156, 1163 (9th Cir. 2002). Our court of appeals has stated:

23 The inquiry into the existence of substantial justification therefore
 24 must focus on two questions: first, whether the government was
 25 substantially justified in taking its original action; and, second,
 whether the government was substantially justified in defending the
 validity of the action in court.

26 *Kali v. Bowen*, 854 F.2d 329, 332 (9th Cir. 1988).

27 When determining a proper fee award, the Supreme Court has set forth a two-step
 28 framework: (1) did the plaintiff fail to prevail on claims that were unrelated to the claims on

1 which she succeeded, and (2) did the plaintiff achieve a level of success that makes the hours
2 reasonably expended a satisfactory basis for making a fee award? *Hensley*, 461 U.S. at 440.

3 [Related claims will involve a common core of facts or will be
4 based on related legal theories Thus, the test is whether relief
5 sought on the unsuccessful claim is intended to remedy a course of
conduct entirely distinct and separate from the course of conduct
6 that gave rise to the injury upon which the relief granted is
premised.

7 *Edema v. Weston Tucson Hotel*, 53 F.3d 1484, 1499 (9th Cir. 1995) (quoting *Thorns v. City of El*
8 *Segundo*, 802 F.2d 1131, 1141 (9th Cir. 1986)). Courts consider “whether the unsuccessful
9 claims were presented separately, whether testimony on the successful and unsuccessful claims
10 overlapped, and whether the evidence concerning one issue was material and relevant to the other
11 issues.” *Thorns*, 802 F.2d at 1141. In *Schwarz v. Secy. of Health & Human Serve.*, 73 F.3d 895,
12 903–04 (9th Cir. 1995), our court of appeals found no abuse of discretion in finding the
13 alternative legal theories not related for “the unsuccessful claims did not involve the same course
14 of conduct as her successful claim and the efforts expended on the unsuccessful claims did not
15 contribute to her prevailing on the successful claim.”

16 Turning to the facts of our case, plaintiff’s counsel recite a long list of alleged wrongs by
17 the government. For example, they argue that Dr. Ibrahim was told she was removed from the
18 no-fly list in 2005 but she has never been permitted to return to the United States. Even though
19 our court of appeals held that Dr. Ibrahim had standing, the government repeatedly argued
20 thereafter that Dr. Ibrahim lacked standing via three motions to dismiss, a motion for summary
21 judgment, opening and closing statements at trial, and post-trial briefing. The government’s
22 privilege assertions, in counsel’s view, also unnecessarily hampered Dr. Ibrahim’s investigative
23 efforts.

24 The government states a number of responses, including that it was appropriate to renew
25 their standing position post-remand because Dr. Ibrahim’s status in the Terrorist Screening
26 Database was only revealed during discovery and Dr. Ibrahim could not rely on mere allegations
27 of standing at summary judgment and trial. The government also argues that plaintiff’s counsel
28 failed on numerous discovery motions and the government never withheld information from
counsel based on SSI (only plaintiff herself who was never cleared to receive SSI or classified

1 information). Finally, the government argues that fees should be denied because this action
2 involved difficult issues of first impression.

3 This order finds that plaintiff's counsel are entitled to at least some fees and expenses
4 under the EAJA, but substantially less than requested, meaning not the whopping \$3.67 million of
5 fees and \$294,000 in expenses sought. Plaintiff did not prevail on all of her claims and the
6 government's arguments at certain stages, even on those it lost, were not so unreasonable that
7 complete fee-shifting is warranted. In actions involving different unrelated claims for relief and
8 theories, counsel's work on unsuccessful unrelated claims should not be entirely recovered.
9 *Hensley*, 461 U.S. at 434–35. District courts have discretion in determining the amount of a fee
10 award. *Id.* at 437. This order also recognizes the novelty of the issues involved, the importance
11 of protecting classified information when national security and counterterrorism efforts are
12 implicated, and that reasonable minds could have differed over some (but not all) of the
13 government's specific strategies. This order will now walk through the details.

14 In terms of pre-litigation conduct, the government's position was not substantially
15 justified. The original sin — Agent Kelley's mistake and that he did not learn about his error
16 until his deposition eight years later — was not reasonable. It was this error that led to this train
17 of events whereby Dr. Ibrahim was prevented from boarding her flight, suffered a humiliating
18 arrest and detention, received nothing more than an opaque TRIP response, and reasonably
19 suspected, even if not true, that her troubles returning to the United States were caused by an error
20 propagating through the government's web of interlocking databases. This order finds that the
21 government's conduct, in this aspect, under the EAJA was not reasonable.

22 In terms of litigation conduct, the government's attempt to defend its no-fly error for years
23 was not reasonable. The government's litigation position, that Dr. Ibrahim who was prevented
24 from boarding her flight, detained and arrested, and unknowing of the cause for her troubles,
25 persistently denied plaintiff the due process to which she was entitled. The government's defense
26 of such inadequate due process in Dr. Ibrahim's circumstance — when she was concededly not a
27 threat to national security — was not substantially justified.

28 Furthermore, after our court of appeals held that Dr. Ibrahim had standing and the

1 government did not seek review from the United States Supreme Court, the government's
2 stubborn persistence in arguing that Dr. Ibrahim lacked standing was unreasonable. *Ibrahim II*,
3 669 F.3d at 997. Although the government's position on standing prior to the appeal was
4 substantially justified, for the government to continue to seek dismissal based on lack of standing
5 in the face of our court of appeal's decision on this very point was unreasonable.

6 The government's conduct with regards to Dr. Ibrahim's visa applications, however, in the
7 context of the EAJA meets the substantial justification test. Even though her applications were
8 denied without mention of the specific subsection(s) of Section 212(a)(3)(B) rendering her
9 ineligible, as required by *later* law from our court of appeals, and she was never informed that
10 she was eligible to apply for a discretionary waiver, that conduct was not wholly unreasonable at
11 the time. *Din*, 718 F.3d at 863. Indeed, plaintiff's counsel never even raised these issues.
12 The Court itself, after raising the issue, ordered limited relief provided by the law. Even though
13 plaintiff's counsel argue that the government branded Dr. Ibrahim as a "terrorist" for years, the
14 consular officer wrote the word "(Terrorist)" on the visa form beside Section 212(a)(3)(B),
15 entitled "Terrorist activities," to explain why she was deemed inadmissible.

16 It would be unfair to saddle the government with \$3.67 million in fees — or anything
17 close to it — when a number of counsel's fee requests appear to be associated with claims Dr.
18 Ibrahim did not prevail on (e.g., First Amendment), other proceedings (e.g., United States Court
19 of Appeals District of Columbia Circuit), overstaffing (e.g., fees for four plaintiff's attorneys
20 conferencing with each other), and non-attorney tasks (e.g., file organization or managing data in
21 CaseMap).

22 When a proceeding is complex, our court of appeals has stated:

23 In such circumstances, an award of fees properly apportioned to
24 pursuing the stages of the case in which the government lacked
25 substantial justification — in this instance, the original appeal of the
ALJ's decision, the district court's consideration of the procedural
errors and fee request on remand, and this appeal — are
appropriate.

26 *Corbin v. Apfel*, 149 F.3d 1051, 1053 (9th Cir. 1998). *Hensley* also requires evaluating the extent
27 of success and work completed on various claims when determining a fee award.
28

1 Here, the spread between the parties' proposals is stark. Plaintiff's counsel seek \$3,673,215.00 in
2 attorney's fees and \$293,860.18 in expenses. Defendants counter that, at most, \$286,586.97 in
3 attorney's fees should be awarded and counsel's request for expenses should be reduced (or
4 denied).

5 **(1) Procedural Due Process.**

6 As stated, this order finds that plaintiff's counsel are entitled to recover reasonable fees
7 and expenses incurred for work completed on Dr. Ibrahim's procedural due process claim.
8 Dr. Ibrahim succeeded in showing that the government's post-deprivation administrative
9 remedies under the TRIP program were inadequate due process. This is the type of action
10 intended to be encouraged by the EAJA.

11 Unfortunately, counsel's request fails to consistently identify the issues or claims worked
12 upon. For example, counsel seek the following:

13 "Prepare for trial," 15.8 hours (Nov. 29, 2013) (Dkt. No. 699-1 at
14 163),

15 "Prepare for trial (prepare expert documents for production,
16 deposition video clips)," 11.6 hours (Nov. 30, 2013) (*ibid.*),

17 "Prepare for trial and attend trial," 18.5 hours (Dec. 2, 2013) (*id.* at
18 164),

19 "Appear for/attend trial; prepare for trial," 20.5 hours (Dec. 4,
20 2013) (*id.* at 165),

21 "Review trial transcripts and exhibits and prepare proposed findings
22 of fact and conclusions of law," 14.1 hours (Dec. 12, 2013) (*id.* at
23 166),

24 "Prepare post-trial briefing," 14.3 hours (Dec. 12, 2013) (*id.* at
25 167), and

26 "Prepare response to proposed findings of fact and conclusions of
27 law," 14.7 hours (Dec. 18, 2013) (*id.* at 168).

28 These entries, as well as many others, lack adequate details regarding the claims worked on and
whether billing judgment was applied for inefficiencies and overstaffing. Even though plaintiff's
counsel argue that they eliminated unnecessary or duplicative hours and imposed "a general
reduction of approximately five percent on all hours calculated," they nevertheless seek fees for
four attorneys attending trial, three attorneys attending the summary judgment hearing, and four

1 attorneys attending the final pretrial conference (Dkt. No. 699-1 at 154, 159, 164, 165).
2 Plaintiff's counsel also seek fees for their paralegal attending these hearings.

3 The Supreme Court has stated:

4 A request for attorney's fees should not result in a second major
5 litigation. Ideally, of course, litigants will settle the amount of a
6 fee. Where settlement is not possible, *the fee applicant bears the*
burden of establishing entitlement to an award and documenting
the appropriate hours expended and hourly rates. The applicant
7 should exercise "billing judgment" with respect to hours worked . . .
8 and *should maintain billing time records in a manner that will*
enable a reviewing court to identify distinct claims.

9 *Hensley*, 461 U.S. at 437 (emphasis added). Plaintiff's counsel must revise their submissions
10 (for the special master) to account for the rules discussed in this order, including to account for
11 good billing judgment.

12 On the other hand, counsel may recover reasonable fees and expenses for work done that
13 was inextricably intertwined with the due process issue (subject again to billing judgment
14 reduction). For example, the 7.5 hours sought for the "Deposition of [W]itness Kelley" (Sept. 12,
15 2013) may have covered a number of successful and unsuccessful topics (Dkt. No. 699-1 at 143).
16 *Hensley*, 461 U.S. at 448. Such work is likely to be inextricably intertwined with the due process
17 issue and, if reasonable, is recoverable. The burden must be on plaintiff's counsel to establish
18 such a nexus.

19 (2) ***Other Issues and Claims.***

20 This order finds that plaintiff's counsel are entitled to recover for reasonable fees incurred
21 for work done on the substantive due process and Administrative Procedure Act claims.
22 Plaintiff's counsel, however, cannot recover for work done on the equal protection clause and
23 First Amendment claims. Those claims were not related to the procedural due process claim
24 (for which she received relief) because they involved different evidence, different theories, and
25 arose from a different alleged course of conduct. Her equal protection and First Amendment
26 claims were based on allegations that she was watchlisted because she was Muslim and that
27 defendants intentionally discriminated against her by placing her in the TSDB in violation of her
28 right to equal protection. Her second expert, Professor Sinner, provided an expert report on these
issues and plaintiff's counsel seek fees for working with Professor Sinner (e.g., \$2,160.00 for 4.5

1 hours spent “Meeting with expert Sinner” (Aug. 26, 2013) and \$4,950 for “Deposition of expert
2 Sinner” (Aug. 28, 2013) (Dkt. No. 699-1 at 33, 140)). This evidence did not contribute to her
3 prevailing procedural due process claim.

4 Plaintiff also alleged that her placement in the TSDB infringed on her right to associate
5 with Muslims and her family members and the denial of her visa application in 2009 (and 2013)
6 was in retaliation. She further alleged that her placement in the TSDB in 2009 interfered with her
7 First Amendment right to free speech. She did not prevail on these grounds.

8 It is important to remember that in *Hensley*, the Supreme Court stated: “Litigants in good
9 faith may raise alternative legal grounds for a desired outcome, and the court’s rejection of or
10 failure to reach certain grounds is not a sufficient reason for reducing a fee. The result is what
11 matters.” 461 U.S. 441. The January 2014 order did not reach the substantive due process and
12 Administrative Procedure Act claims — but it is not as if Dr. Ibrahim outright lost on these
13 claims. It is simply that she would not receive additional relief and therefore those issues did not
14 need to be reached. The bottom of it is that her substantive due process allegation that her
15 placement in the TSDB infringed on her liberty interest in travel and property interest in her flight
16 ticket were related to and deeply intertwined with her prevailing procedural due process claim.
17 The government’s position on the substantive due process claim was in this way not substantially
18 justified. Similarly, the Administrative Procedure Act claim that her placement in the TSDB,
19 which included an error, was arbitrary and capricious, is related to the same facts and conduct
20 underlying her procedural due process claims.

21 Nevertheless, to the extent not inextricably intertwined, plaintiff’s counsel cannot recover
22 the entirety of the time spent on tasks involving prevailing and non-prevailing claims.
23 For example, plaintiff’s counsel seek 16.5 hours for “Prepar[ing] proposed findings of fact and
24 conclusions of law,” 14.3 hours for “Prepar[ing] post-trial briefing,” 8.9 hours for “Prepar[ing]
25 post-trial briefing,” and 8.5 hours for “Prepar[ing] post-trial briefing” (*id.* at 167). If only a
26 portion of this time was spent on the procedural due process, substantive due process, and
27 administrative procedure act issues and other portions were spent on non-prevailing unrelated
28 issues, counsel should separate out the time.

1 The government proposes a 75% reduction of counsel's recoverable fees. If the parties
2 agree to use this adjustment, this order does not preclude them from doing so. Otherwise, the
3 special master will rule on the parties' disputes regarding specific line items. This order does not
4 mandate the 75% reduction.

(3) *Visa Issues.*

6 This order finds that plaintiff's counsel cannot recover fees for work done regarding
7 Dr. Ibrahim's visa issues. For example:

8 "Review visa application," 0.8 hours (Sept. 26, 2009) (Dkt. No. 699-1 at 49),

¹⁰ “Letter to counsel for U.S. government (plaintiff’s visa),” 0.6 hours (Sept. 29, 2009) (*id.* at 50),

11 “Review applicable authorities (challenging denial of visa application),” 1.2 hours (Jan. 6, 2010) (*id.* at 65), and

¹² “Confer with EP (visa issues),” 0.3 hours (Jan. 11, 2010) (*id.* at 66).

No fees for the visa issues are recoverable. *First*, the government's position in denying

15 Dr. Ibrahim's visa applications was not unreasonable (and is largely unreviewable).
16 *Second*, Dr. Ibrahim did not prevail on the visa issues *plaintiff's counsel* raised even though the
Court on its own awarded limited relief.

Moreover, the Court has reviewed the classified information and finds that, in the main, it mitigates what otherwise might seem to be unjustified conduct as to the visa applications.

19 *Kleindienst v. Mandel*, 408 U.S. 753, 770 (1972). But to be clear, the government's position was
20 not substantially justified as to the no-fly, TRIP, due process, and standing issues.

(4) Settlements, Non-Federal Defendants, and Unsuccessful Discovery Efforts

23 Counsel’s fee petition seeks fees from the settlement with the non-federal defendants,
24 even though plaintiff’s counsel received \$195,431.35 for fees and costs pursuant to those
25 settlements (Dkt. Nos. 696, 718). For example, plaintiff’s counsel seek: “Telephone conference
26 call with attorneys Flynn and Keith (offer to compromise),” 0.4 hours (Mar. 3, 2010) and
27 “Prepare stipulation for entry of judgment and proposed judgment,” 0.8 hours (Mar. 12, 2010)
28 (Dkt. No. 699-1 at 69–72). *Counsel cannot double dip and recover fees associated with past*

settlements. It is hard to accept that counsel have been so brazen.

Counsel respond that the fees requested for the settled-out defendants were for “work that was necessary for plaintiff’s case against the federal defendants.” Such work was needed because “plaintiff’s counsel had to analyze the offer carefully to ensure that it would not negatively impact plaintiff’s claims against the federal defendants” (Pipkin Decl. Exh. B). This order disagrees. That work was not inextricably intertwined with the due process issue Dr. Ibrahim prevailed on and is not recoverable. *Velez v. Roche*, 335 F. Supp. 2d 1022, 1041 (N.D. Cal. 2004) (Magistrate Judge Edward Chen), an isolated district-court decision wherein a request to offset a jury award was denied in a Title VII action, does not change this analysis.

It also would not be right to saddle the government with amounts spent by plaintiff's counsel on largely unsuccessful discovery efforts. For example, plaintiff's counsel seek fees for:

“Prepare for depositions and prepare letter brief to court regarding Holder and Clapper depositions,” 10.2 hours (May 20, 2013) (*id.* at 119).

“Prepare brief on Holder and Clapper depositions,” 3 hours (May 21, 2013) (*ibid.*), and

“Prepare letter to court (Clapper deposition),” 2.9 hours (June 12, 2013) (*id.* at 123).

A May 2013 order quashed the depositions of Attorney General Eric Holder and the Director of National Intelligence James Clapper (Dkt. No. 481). The government should not have to pay for counsel's unsuccessful discovery efforts.

(5) *Standing.*

As stated above, plaintiff’s counsel cannot recover fees for work done regarding standing prior to *Ibrahim II*. This is because Dr. Ibrahim did not prevail on the standing issue prior to the appeal and the government’s position was substantially justified at the time. We cannot allow hindsight bias to infiltrate the reasonableness of the government’s position at the time.

But for time after *Ibrahim II* (2012), plaintiff’s counsel can recover reasonable fees and expenses incurred for defending against the government’s standing arguments. For example, plaintiff’s counsel seek fees for 1.4 hours spent “Review[ing] applicable authorities (standing)” (Oct. 7, 2013) (Dkt. No. 699-1 at 148). This line item is recoverable.

(6) *Privileges.*

2 Plaintiff’s counsel argue that the government improperly asserted a number of privileges,
3 including state secrets, “sensitive security information,” and the law enforcement privilege,
4 thereby delaying discovery, preventing plaintiff herself from learning what happened, and
5 withholding from the public access to this proceeding. In the context of the EAJA, this order
6 finds that it was reasonable for the government to take measures necessary to protect classified
7 information from individuals without proper clearance. *United States v. Reynolds*,
8 345 U.S. 1, 10 (1953). Plaintiff’s counsel and plaintiff herself never obtained clearance to view
9 classified information. *Dep’t of Navy v. Egan*, 484 U.S. 518, 527 (1988). Dr. Ibrahim also never
10 obtained clearance to view SSI. This order thus finds that plaintiff’s counsel cannot recover fees
11 for work done litigating access to classified and state-secrets privileged information.
12 For example, plaintiff’s counsel cannot recover fees for “Prepar[ing] response to defendants’ brief
13 on classified documents,” 8.9 hours (Mar. 25, 2013) (Dkt. No. 699-1 at 114).

14 Although the undersigned judge has not upheld every privilege assertion by the
15 government, in the main, the government’s behavior was not so unreasonable as to warrant fee
16 shifting for the privilege disputes. The government has a duty to follow its regulations and
17 statutes, including the authority granted to the Transportation Security Administration and the
18 United States Courts of Appeals. *See* Homeland Security Appropriations Act, 2007, Pub. L. No.
19 109-295, 120 Stat. 1355, 1382, Section 525(d) (Oct. 4, 2006). Accordingly, plaintiff’s counsel
20 cannot recover fees for work done on privilege issues. For example,

23 "Prepare protective order (SSI)," 1.4 hours (Dec. 7, 2009) (*id.* at
59),

24
25 “Review applicable authorities (appealability of order overruling
privilege),” 1.2 hours (Dec. 10, 2009) (*id.* at 60),

26 "Prepare documents (acknowledgments of duty and background
27 applications); multiple telephone calls and emails with internal team
regarding plan on SSI," 2.5 hours (Dec. 23, 2009) (*id.* at 61),

28 “Letter to attorney Houlihan (right to appeal SSI designations), 0.3 hours (July 26, 2013) (*id.* at 134).

1 “Prepare to challenge TSA’s SSI designations; review applicable
2 authorities (same),” 5.8 hours (Aug. 19, 2013) (*id.* at 139), and
3 “Prepare response to defendants’ brief regarding public access,” 5.8
4 hours (Nov. 17, 2013) (*id.* at 159).
5 Some privileges were naturally implicated by the types of discovery documents requested in this
6 litigation and it would be unfair to wholesale shift onto defendants the fees incurred because of
7 assertions made by the Executive Branch. To the extent distinguishable, plaintiff’s counsel
8 should segregate out the privilege-task portions of the 12 hours by Attorney Jennifer Murakami
9 and 15 hours by Attorney Elizabeth Pipkin spent on “Appear[ing] for/attend[ing] trial and
10 prepar[ing the] SSI brief” (Dec. 6, 2013) (*id.* at 165).

11 Plaintiff’s counsel also request fees for work done in 2014 regarding a “Ninth Circuit
12 petition for review of TSA’s final orders re SSI,” even though the bench trial in this action
13 concluded in December 2013. Plaintiff’s counsel cannot recover fees for at least the following
14 requests:

15 “Confer with team (challenges to SSI designations),” 0.8 hours
16 (Jan. 6, 2014) (Dkt. No. 699-1 at 170),
17 “Review documents (TSA order regarding SSI designations),” 1.4
18 hours (Jan. 6, 2014) (*ibid.*), and
19 “Prepare Ninth Circuit petition for review of TSA’s final orders re
20 SSI,” 6.5 hours (Jan. 6, 2014) (*ibid.*).

21 **(7) *Miscellaneous.***

22 A prior order noted a number of questionable line items in counsel’s request, including the
23 following:

24 “Prepare opposition to motion to dismiss D.C. Circuit petition,”
25 11.6 hours (Aug. 1, 2006) (Dkt. No. 699-1 at 21),
26 “Review 60-minutes video re No-Fly List,” 0.6 hours (Oct. 10,
27 2006) (*id.* at 23),
28 “Review and respond to multiple calls and emails re opinion,” 2.8
 hours (Aug. 19, 2008) (*id.* at 31),
 “Meeting with amicus counsel,” 5.2 hours (Apr. 23, 2010) (*id.* at
 74),
 “Review Asian Law Caucus Amicus; Memorandum to/from amicus
 counsel,” 1.8 hours (Oct. 1, 2010) (*id.* at 92),

1 “Telephone conference with Judge Corley and opposing counsel
2 (settlement conference),” 0.4 hours (Nov. 6, 2012) (*id.* at 105),
3 “Manage data in CaseMap,” 1.9 hours (Mar. 25, 2013) (*id.* at 114),
4 and
5 “Prepare documents,” 3.6 hours (June 11, 2013) (*id.* at 123).

5 If the parties are unable to resolve their disputes, they will have to review these line items and
6 others in accordance with this order and the special-master procedure set forth in the companion
7 order.

8 Moreover, this order will not categorically bar counsel from recovering reasonable
9 attorney's fees incurred before filing this action. The request for \$39,000 in fees allegedly
10 incurred in 2005, however, seems excessive. Indeed, counsel apparently only reduced \$7,700 in
11 fees from 2005 in their fee request (Pipkin Decl. Exh. A). To the extent the requested fees are not
12 related to the issues Dr. Ibrahim prevailed on (*e.g.*, due process and post-2012 standing),
13 they are not recoverable.

14 Counsel's fee petition also raises a question about overstaffing, inefficiency, and
15 redundancy. The government argues that a reduction in fees is appropriate when there are
16 repeated intra-office conferences. Plaintiff's counsel should review at least the following line
17 items to see whether a reduction or withdrawal is appropriate:

18 Attorney Marwa Elzankaly: "Confer with team (status, plan)," 0.8 hours
(Aug. 9, 2005) (Dkt. No. 699-1 at 5),

19 Attorney James McManis: "Confer with team (status, plan)," 0.8 hours
20 (Aug. 9, 2005) (*ibid.*),

21 Law Clerk Sheila Bari: "Confer with team (status, plan)," 0.8 hours
(Aug. 9, 2005) (*ibid.*),

* * *

23 Attorney Kevin Hammon: "Confer with consultant (jurisdictional
24 issues)," 2.9 hours (June 21, 2006) (*id.* at 18).

25 Attorney Marwa Elzankaly: "Confer with consultant (jurisdictional issues)," 2,9 hours (June 21, 2006) (*ibid.*).

* * *

28 Attorney Kevin Hammon: "Confer with ME (preparation for hearing on motions to dismiss)" 3.3 hours (July 7, 2006) (*id.* at 19).

Attorney Marwa Elzankaly: "Confer with KH (preparation for hearing on motions to dismiss)," 3.3 hours (July 7, 2006) (*ibid.*),

* * *

Attorney Christine Peek: "Confer with team (status and plan)," 1.1 hours (Jan. 27, 2010) (*id.* at 67),

Attorney Marwa Elzankaly: "Meeting with JM, EP and CP (case status and plan)," 1.1 hours (Jan. 27, 2010) (*ibid.*),

Attorney Elizabeth Pipkin: "Confer with attorney JM, ME and CP (status and plan)," 1.1 hours (Jan. 27, 2010) (*ibid.*),

Attorney James McManis: "Confer with ME, EP, CP (status and plan)," 1.1 hours (Jan. 27, 2010) (*ibid.*),

* * *

Attorney Elizabeth Pipkin: "Confer with team (status and plan)," 2.1 hours (Jan. 15, 2014 [sic]) (*id.* at 171),

Attorney Christine Peek: "Confer with team (case status and plan)," 2.1 hours (Jan. 16, 2014) (*ibid.*),

Attorney Jennifer Murakami: Confer with EP, CP, and RK (status and plan)," 2.1 hours (Jan. 16, 2014) (*ibid.*), and

Attorney Ruby Kazi: "Confer with team (status and plan)," 2.1 hours (Jan. 16, 2014) (*ibid.*).

This action was filed in January 2006 and the bench trial was completed in December 2013.

The parties also dispute whether fees for four counsel to appear at trial is reasonable.

The government argues that “a reasonable fee award would compensate two attorneys” (Opp. 20).

Plaintiff's counsel argue that two attorneys presented while two attorneys simultaneously

prepared witnesses to testify, drafted motions, and assisted. Plaintiff's counsel also note that defendants had at least twice as many attorneys as plaintiff in the courtroom each day. This order will not outright limit recoverable fees based on an arbitrary number of attorneys. For some

hearings, perhaps two (or even one) rather than three attorneys would have sufficed. For some

trial days, perhaps four attorneys were appropriate based on the tasks involved that day,

especially given the size of the defense team. Our court of appeals in at least one decision was

unpersuaded by arguments of needless duplication because assistance by non-arguing attorneys

and observing proceedings can be important for certain hearings in actions of tremendous

importance. *Democratic Party of Washington State v. Reed*, 388 F.3d 1281, 1287 (9th Cir. 2004).

1 Moving forward, plaintiff's counsel should review their time-sheets and reduce or remove any
2 entries involving non-prevailing claims in accordance with this order, inefficiencies, and
3 overstaffing.

4 **C. Bad Faith.**

5 Contrary to plaintiff's counsel, this order does not find bad faith supporting counsel's
6 requested award of attorney's fees. Section 2412(b) states (emphasis added):

7 The United States shall be liable for such fees and expenses to the
8 same extent that any other party would be liable *under the common*
9 *law* or under the terms of any statute which specifically provides for
such an award.

10 “The common law allows a court to assess attorney's fees against a losing party that has ‘acted in
11 bad faith, vexatiously, wantonly, or for oppressive reasons.’” *Rodriguez v. United States*, 542
12 F.3d 704, 709 (9th Cir. 2008) (quoting *Chambers v. NASCO, Inc.*, 501 U.S. 32, 45–46 (1991)).
13 The bad-faith exception is a narrow one. Our court of appeals has stated:

14 Under the common law, [a] finding of bad faith is warranted where
15 an attorney knowingly or recklessly raises a frivolous argument, or
16 argues a meritorious claim for the purpose of harassing an
17 opponent. Mere recklessness does not alone constitute bad faith;
18 rather, an award of attorney's fees is justified when reckless
19 conduct is combined with an additional factor such as frivolousness,
20 harassment, or an improper purpose.

21 *Id.* at 709 (internal citations and quotation marks omitted). Each of counsel's proffered “bad-
22 faith” allegations fails to qualify. *First*, plaintiff's counsel allege bad faith arising from the
23 government's conduct in relation to Dr. Ibrahim. This order disagrees. Agent Kelley's error was
24 unintentional and made unknowingly. The January 14 order did not find that her placement in the
25 TSDB or visa denials were made in bad faith. *Second*, this order declines to find the
26 government's requests for dismissal based on lack of standing rising to the level of bad faith. It is
27 probably true that the government should have sought review by the United States Supreme
28 Court, but the government's verbal requests for dismissal and the few paragraphs in its briefs
were not made in bad faith. *Third*, the government was wrong to assure all that it would not rely
on state-secrets evidence and then reverse course and seek dismissal at summary judgment.
This was a mistake by the government but there is no indication that this error was knowingly or
recklessly made for harassment or improper purpose. *Fourth*, the government's privilege

1 assertions — some were upheld, some were overruled — were not made in bad faith.
2 Additionally, that plaintiff herself, who was never cleared to receive SSI or classified information,
3 could not view certain documents is not “bad faith.” *Fifth*, there is no evidence that the
4 government obstructed plaintiff or her daughter from appearing at trial. *Sixth*, Witness Lubman’s
5 two corrections at trial to her deposition testimony do not evidence bad faith.

6 Plaintiff’s reliance on *Brown v. Sullivan*, 916 F.2d 492, 495–96 (9th Cir. 1990), at oral
7 argument is unavailing. The facts in *Brown* were extreme. In the disability benefits proceeding,
8 the Appeals Council made a determination without even examining the transcript for the ALJ
9 hearing — a statutory violation, and the Secretary relied on an unconstitutional review program in
10 violation of the claimant’s due process rights. The claimant was also forced to endure repeated
11 delays and additional motion practice because of errors. Here, we are not compelled to find the
12 conduct herein falling within the narrow bad faith exception, invoked in cases of vexatious,
13 wanton, or oppressive conduct. Agent Kelley’s mistake in checking the wrong box and the long
14 history of this action (largely due to plaintiff’s appeals) do not warrant the extreme finding of bad
15 faith. Accordingly, this order does not find bad faith supporting an entitlement to fees and
16 expenses by plaintiff’s counsel.

17 **D. Rate Enhancement.**

18 By plaintiff’s counsel’s calculation, under the EAJA rates, counsel are entitled to
19 \$2,632,438.35. Counsel, however, ask for \$3,630,057.50 because they argue that a rate
20 enhancement beyond the \$125 per hour fee stated in Section 2412(d)(2)(A)(ii), is appropriate due
21 to the limited availability of attorneys qualified for these proceedings and the specialized
22 constitutional and civil rights knowledge of plaintiff’s counsel, specifically Attorneys James
23 McManis, Christine Peek, and Marwa Elzankaly. Our court of appeals has established the
24 following requirements:

25 First, the attorney must possess distinctive knowledge and skills
26 developed through a practice specialty. Secondly, those distinctive
skills must be needed in the litigation. Lastly, those skills must not
be available elsewhere at the statutory rate.

27 *Love v. Reilly*, 924 F.2d 1492, 1496 (9th Cir. 1991). The statute states that:

28 attorney fees shall not be awarded in excess of \$125 per hour unless

the court determines that an increase in the cost of living or a special factor, such as *the limited availability of qualified attorneys for the proceedings involved, justifies a higher fee.*

3 28 U.S.C. 2412(d)(2)(A) (emphasis added). This enhancement is used sparingly for “some
4 distinctive knowledge or specialized skill needful for the litigation in question.” *Pierce*, 487 U.S.
5 at 572. Here, counsel’s dedication to litigating this terrorist-watchlist challenge for more than
6 seven years is admirable. But they are not alone. *See, e.g., Green, et al. v. TSA, et al.*, No.
7 2:04-cv-00763-TSZ (W.D. Wash. filed Apr. 6, 2004) (Judge Thomas S. Zilly) (complaint
8 dismissed in January 2005); *Scherfen, et al. v. DHS, et al.*, No. 3:08-cv-01554-TIV (M.D. Penn.
9 Aug. 19, 2008) (Judge Thomas I. Vanaskie) (complaint dismissed in February 2010); *Latif, et al.*
10 v. *Holder, et al.*, No. 3:10-cv-00750-BR (D. Or. filed June 30, 2010) (Judge Anna J. Brown)
11 (pending cross-motion for partial summary judgment); *Mohamed v. Holder, et al.*,
12 No. 1:11-cv-00050-AJT-TRJ (E.D. Va. filed Jan. 18, 2011) (Judge Anthony J. Trenga) (granted
13 motion for leave to file fourth amended complaint); *Tarhuni v. Holder, et al.*,
14 No. 3:13-cv-00001-BR (D. Or. filed Jan. 2, 2013) (Judge Anna J. Brown) (third amended
15 complaint due May 2014); *Mokdad v. Holder, et al.*, No. 2:13-cv-12038-VAR-RSW (E.D. Mich.
16 filed May 8, 2013) (Judge Victoria A. Roberts) (pending appeal of an order granting a motion to
17 dismiss); *Fikre v. FBI, et al.*, No. 3:13-cv-00899-BR (D. Or. filed May 30, 2013) (Judge Anna J.
18 Brown) (pending motion to dismiss); *Tanvir v. Comey, et al.*, No. 1:13-cv-06951-RA (S.D.N.Y.
19 filed Oct. 1, 2013) (Judge Ronnie Abrams) (amended complaint due April 2014).

20 Nevertheless, this order finds that Attorney James McManis is entitled to a rate
21 enhancement. Attorney McManis possesses distinctive knowledge and skills developed over his
22 46-years of trial experience. He has litigated constitutional-law issues, is a founding member of
23 the McManis Faulkner firm, has served as a special master in our district, and is a member of the
24 American College of Trial Lawyers, International Academy of Trial Lawyers, and American Bar
25 Foundation. During the relevant time period, his hourly rate was \$700 to \$900 per hour
26 (McManis Decl. ¶¶ 4, 7–10, 23). Under McManis Faulkner’s fee arrangement with Dr. Ibrahim,
27 the firm advanced all fees and expenses related to the action and never billed Dr. Ibrahim.
28 Attorney McManis’ distinctive expertise and skills were needed to take this litigation to our court

1 of appeals twice and to a bench trial. The undersigned judge would be hard pressed to find
2 anyone of his caliber with an hourly rate of \$125 per hour. Accordingly, Attorney McManis is
3 entitled to a **RATE ENHANCEMENT, RAISING THE \$125 TO \$250 PER HOUR.**

4 Attorneys Peek and Elzankaly, much less experienced, are also esteemed members of our
5 district. A rate enhancement, however, will not be applied to their work in this case because it
6 has not been shown that they possess distinctive skills necessary for this litigation.

7 **3. DISCOVERY.**

8 Plaintiff's counsel argue that they are entitled to fees as discovery sanctions pursuant to
9 FRCP 37 and 16 because of defendants' delays in discovery matters. FRCP 16(f), 37(a)(5), and
10 37(b) require an award of reasonable attorney's fees and expenses incurred for noncompliance
11 with the rules unless the noncompliance was substantially justified or other circumstances make
12 the award unjust. Here, plaintiff's counsel obliquely reference the discovery motions they
13 "prevailed on" and never identify which fees are allegedly recoverable as a discovery sanction
14 (Br. 15–16, Reply 6–7). In their motion, counsel merely state that "plaintiff had to bring multiple
15 motions to compel resulting in orders that defendants comply with the most basic discovery
16 requirements" (Br. 16). In their reply, counsel identify the April 2013 order which granted in part
17 and denied in part their motion to compel and the August 2013 order which granted in part and
18 denied in part a number of counsel's motions (notably, their request to depose Agent Kelley was
19 granted but their hundreds of objections to the government's privilege instructions during two
20 FRCP 30(b)(6) depositions were found to be largely unwarranted) (Dkt. Nos. 461, 532).
21 Importantly, the August 2013 order stated:

22 In the last two months, plaintiff has filed an excessive number of
23 motions (including discovery motions) requesting reconsideration,
24 compulsion of additional discovery, and other forms of relief. The
25 total comes out to fourteen motions.

26 (Dkt. No. 532). This order will not sanction the government by making it pay for counsel's
27 abundant discovery motions, some of which were denied. Moreover, these requests for discovery
28 expenses should have been raised when the discovery motions were pending so the circumstances
would be fresh in the mind of the judge and counsel. Now, some of these requests are almost a
year late. This is further exacerbated by counsel's failure to even identify for the Court which

1 fees could be recoverable and the associated tasks. Plaintiff's counsel dumped on the Court a
2 172-page fee spreadsheet which includes fees for tasks they never prevailed on. To take one
3 example, plaintiff's counsel seek fees for 3.2 hours spent "Prepar[ing her] request for leave to file
4 motion for reconsideration" (June 7, 2013), which appears to be for time spent preparing a two-
5 page letter filed on and dated June 7, 2013, seeking leave to file a motion for reconsideration of
6 the rulings on state secrets and classified information (Dkt. No. 485, 699-1 at 122). That motion
7 was denied (Dkt. No. 532).

8 In sum, fee-shifting as a discovery sanction is not warranted here.

9 **4. EXPENSES.**

10 Even though plaintiff's counsel seek hundreds of thousands of dollars in expenses, they
11 never provided with their motion any invoices or itemized spreadsheets supporting their alleged
12 expenses. They also provided no case law supporting an entitlement to specific expenses in their
13 motion other than to baldly pronounce that "plaintiff has incurred expenses in this case in the
14 amount \$293,860.18 (Peek Decl., Exh. B.)" (Br. 17). Exhibit B identifies the following lump-
15 sums with no indication as to whether any expenses were reduced for inefficiency or non-
16 prevailing claims:

17 Photocopy Expense: \$40,265.30

18 Messenger/Delivery Services: \$11,597.69

19 Court Transcripts: \$9,125.49

20 On-line Research: \$98,717.67

21 Facsimile Expense: \$232.00

22 Outside Copy Service: \$5,068.86

23 Investigative Services: \$50.00

24 Long-distance Telephone Services: \$21.48

25 Travel Expenses: \$40,335.68

26 Expert Fees: \$88,446.01

27 Counsel's utter failure to explain why these expenses are reasonable or recoverable and append
28 itemized spreadsheets is unexplained. Instead, they waited until their reply brief to file 228-pages

1 of exhibits. Upon objection, the late reply declaration and exhibits were stricken due to the
2 unfairness of sandbagging the government with such voluminous tardy documents for which there
3 was no opportunity to respond. This order also notes that counsel's spreadsheets were largely
4 insufficiently detailed.

5 Although plaintiff's counsel are entitled to reasonable expenses in accordance with the
6 issues identified in this order, they should timely serve detailed documents supporting those
7 requests. If disputed, the parties with the special master will have to figure out the specific
8 amounts recoverable, but this order will set forth some guiding principles.

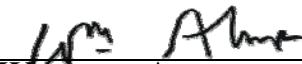
9 Our court of appeals has affirmed an award of reasonable expenses, including "telephone
10 calls, postage, air courier and attorney travel expenses." *Int'l Woodworkers of Am., AFL-CIO,*
11 *Local 3-98 v. Donovan*, 792 F.2d 762, 767 (9th Cir. 1985) (less than \$2,000 in expenses).
12 The undersigned judge, however, is hard pressed to find an EAJA award of the magnitude
13 requested by plaintiff's counsel.

14 CONCLUSION

15 As stated above, plaintiff's counsel may recover reasonable fees and expenses incurred for
16 the procedural and substantive due process and Administrative Procedure Act claims, and fees
17 and expenses for work inextricably intertwined with those claims. Plaintiff's counsel may also
18 recover reasonable fees and expenses incurred from defendant's lack-of-standing arguments made
19 after *Ibrahim II* in 2012. Attorney McManis is entitled to an enhanced rate of \$250 per hour. No
20 other fees and expenses (beyond statutory costs) may be recovered. A companion order sets forth
21 the special-master procedure.

22 IT IS SO ORDERED.

23
24
25 Dated: April 15, 2014.


26 WILLIAM ALSUP
27 UNITED STATES DISTRICT JUDGE
28